



## USING DIGITAL TECHNOLOGY TO TRANSFORM ORGANIZATIONAL DEVELOPMENT: A PERSPECTIVE

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### ABSTRACT

*An organization's ability to improve and develop is directly related to its ability to maximize digital technology. It is obvious that any organization would not be able to cope with the growing pace of work if technological advancements were not made. Taking advantage of digital technology in the workplace is an essential part of improving efficiency at the workplace. In fact, if technology is used properly, it can be a powerful tool that propels any organization forward and increases productivity within the organization. The advantages of digital technology are extensive, and in most cases, they are far more beneficial than the disadvantages. However, there are a number of things to be aware of with regard to digital technology. In this paper, the author covers a wide range of topics on how digital technology can be used to transform organisational development in a holistic and meaningful way.*

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### Introduction

With the advent of digital technology, organizations have evolved into a key differentiator that has a significant impact on the dynamics of change and the business environment. The success of Organization Development (OD) interventions can be attributed to the adoption of data-driven processes that are highly dependent on digital technology. In the efforts of the organization, we aim to provide targeted developmental feedback in order to drive leadership and managerial effectiveness, self-directed learning, and tools to support culture in the organization. This digital technology leverages the latest technologies to deliver employee experiences that are human-centric in nature, with a focus on delivering a personalized and compelling experience, which is driven by relationships. There are numerous factors influencing the nature of organizations and the practices of organizational development, from the changing nature of data to the dynamics within a workforce and marketplace changes. Among some of the imperatives being experienced today is a shift from mechanical to digital, a shift from insights to data, a shift from employees to talent, and a shift in the skills required. A competitive advantage is one of the most important components of achieving success in today's increasingly competitive business world. If you manage to shave out a competitive advantage for your business, how can you go about ensuring that your business is sustainable once you have

achieved it? As much as there are many competitive advantages that you can exploit, such as speed to market, speed of delivery, and even price, many of them can disappear very quickly or can be replicated by your competitors.

There is a simple solution to this problem and that is to leverage the power of digital technology. By being at the forefront of technological innovation, any organization is able to gain a sustainable competitive advantage which will enable it to cement its place as one of the leading companies within a particular segment or industry through technological innovation. Towards the end of the paper, we get into the details of what a sustainable competitive advantage is and how it could be achieved from a practical perspective. Now let's examine more closely what a sustainable competitive advantage is from a practical perspective.

The use of digital technology platforms can make a significant difference in managing change, especially when coming from a process-driven mindset to an outcome-driven mindset by leveraging technology platforms. During this digital age, an organization's ability to compete is dependent upon the readiness of its employees, the evolution of their skill sets, the management of diversity, and a thorough understanding of all aspects of its operations to achieve excellence. Employers are experiencing a shift in how they expect their employees to behave when it comes to work experiences that are engaging, personal, and authentic. The key to the 21st century will be the implementation of new technology platforms, incorporating digital technology, and deploying new age technology platforms.

Currently, the digital revolution is sweeping through all sectors of our economy. Regardless of the size of the company, digital technology and its effects cannot be avoided. The degree to which we obtain, process, and transmit digital has been dramatically reduced in recent years as a result of dramatic reductions in costs. There is no doubt that digital technology is changing the way companies operate today. With the advent of digital technology, companies are changing the entire process by which they develop their products and services. As a consequence, the entire product package has begun to reshape, from the physical goods, services, and digital companies provide to their customers to create value for them.

The value chain is one of the concepts that plays a significant role in emphasizing the importance of digital technology in competitive environments. It is a concept that divides an organization's activities into technologically and economically distinct activities it performs in order to do business. An organization's value is determined by the amount a buyer is willing to spend for a product or service that it offers. When the value created by a business exceeds the cost of doing the activities that create value, the business will be profitably run. It is true that in order to gain a competitive advantage over its competitors, a company must perform these activities either at a lower cost or they must perform them in a way that leads to differentiation and a premium price, both of which can be achieved through the use of digital technology.

### **Competitive Advantage and Digital Technology**

It is important to understand that a company's value chain has a direct influence on its competitive advantage in either cost or differentiation. A company's cost position is a measure of how much it pays for all the activities that contribute to creating value in comparison to its competitors. It is important to understand that each value activity has cost drivers that determine the potential sources of a cost advantage. It is also evident that the ability of a company to differentiate itself is based on the contribution of each value activity to fulfilling the needs of its buyers. As a result of the impact of digital technology on many aspects of a company's activities, not only the physical products or services, a company can differentiate itself from the competition. The company's ability to meet the needs of the buyer, in turn, depends not only on how the company's product impacts the buyer, but also on the other activities it performs (such as logistics or after-sale services) in order to meet those needs.

The scope of the company's competitive activities can often be significantly different from that of its competitors in the search for competitive advantage. There are four main objectives of competitive scope, which can be categorized into segment scope, vertical scope, which refers to the degree of vertical integration as well as demographic scope, and industry scope which refers to the range of related industries in which the company competes.

There have been a number of powerful tools that digital technology has made possible for businesses to use in order to create a competitive advantage over their competitors. As an organization with a broad scope, the company is able to take advantage of the interrelationships between the different value chains that serve different segments of the industry, geographical areas, or industries that are related as a result of its broad spectrum of activities. The procurement of components that are common to two or more business units may be coordinated between two or more of the business units, for example, or two business units may share one sales force in order to sell their products to the public. Having a coordinated strategy for competing on a national or global scale can provide a competitive advantage over competitors on a local or domestic level. As a result of utilizing digital technologies and a broad vertical scope, a company can maximize the benefits of being able to perform more activities internally in comparison to using external suppliers in order to maximize profits.

Digital technology has played a major role in the success of businesses when it comes to attaining their competitive advantage. It should be noted that there are several competitive forces, which support competitive advantage, such as traditional competitors, new entrants into the market, substitute products, customers, and suppliers that are impacted by the digital transformation. Additionally, it is important and vital for companies to use the methods that are available to them to combat these competitive forces in order to increase their success. There is also a great deal of influence that digital technology has on competitive advantage. As a result of this help, as well as the use of digital technology, businesses are able to compete on a global scale with a variety of business models. The quality of the product, the design and the business process can also be areas for competition for a business.

There is no doubt that digital technology helps businesses in today's society stay more connected with the world, and most importantly, with their customers. As a result of digital technology, businesses are able to quickly communicate with their customers by relaying information back and forth between them quickly. It is thanks to the fast transmission of information that suppliers, for instance, are able to know what to supply more quickly and what demand they have for their supplies. The ability to know what supply is in demand does not only help the business to become more efficient, but also make the customers happy with the product. With the help of digital technology, an organization can achieve greater success by generating higher revenues, which helps it with its overall success.

On the other hand, by selecting a narrow scope, an organization may be able to tailor its value chain to a particular segment of the market to achieve lower costs or differentiation as a result of tailoring the value chain to that segment. As a result of using a narrow scope of business, a company will be able to provide better value to specific product varieties, buyers, and geographical regions based on the customization of the value chain.

### **The Impact of Digital Technology on the Value chain of Business**

The digital revolution is causing a revolution throughout the entire value chain of today, leading to the performance of functions such as optimization, control, and more judgmental executive functions across every element of the chain. As an example, the appliance engineers of Microsoft, for instance, offer telephone support to their customers using a database that combines the experience and intuition of the appliance service engineers, as well as the accumulated knowledge of the technicians within their organization, in order to provide customers with the best possible service. The use of digital technology has enabled companies to generate more data at every stage of their operations and has enabled them to capture more data that was previously unavailable. In addition to the expanded data available with this new technology, a more thorough analysis and use of the data will also be possible. There has been a dramatic increase in the number of variables that an organization is able to analyze or control over the years. A computer model was developed by Ford motors, for example, in order to assist the company in analyzing issues related to the expansion and relocation of distribution centers. The model enabled the company to evaluate a greater number of different variables, scenarios, and alternative strategies than it had previously been able to in order to make more informed decisions. Additionally, NASA engineers were able to make

improvements to the design of diesel engines through the use of digital technology in ways that could not be achieved through manual calculations.

The development of digital technology at every point along the value chain is having a profound impact on how the value activities are done as well as the nature of the relationships between those activities. This would lead to them being transformed by the use of digital technology, as a result. Moreover, the emergence of these new products also presents a significant change in both the competitive scope and the way in which products are meeting the needs of buyers in the market. It is these four basic effects of digital technology that are responsible for the fact that it has taken on strategic significance to businesses in the modern world. What are the pros and cons of using digital technology compared to other technologies that businesses use? As a matter of fact, every value-producing action has two components: a physical component and a digital component. This activity involves a number of physical tasks that need to be performed in order for it to be performed effectively. A physical component is a component that is made up of these elements. When it comes to a digital-processing activity, the steps that need to be performed in order to capture, manipulate, and channel the data to perform the activity will be referred to as the digital-processing component because the steps are required to capture, manipulate, and channel the data.

All value-added activities of some kind have some kind of digital component to them in some way. Manufacturing activities, for instance, use digital tools to ensure timely and cost-effective delivery of goods through scheduling promises, transportation rates, and production plans to ensure the goods are delivered in a timely manner and at a reasonable price. As a result of digital technology, a service activity is able to schedule calls and order parts in real-time. It is also capable of generating digital data about product failures that can be used by a company to revise its design and manufacturing methods based on the failure data that is generated through it.

During the course of an activity, physical and digital processes are involved in many different ways. There might be quite a few simple ones or there might be quite a few complicated ones. There are a variety of ways in which the two components need to be combined depending on the nature of the activity. It is no secret that digital technologies are radically changing the way people perform their daily activities. As a result of the new digital flows, they are also greatly enhancing the ability of a company to exploit linkages between activities, both within and outside of the company. As a result of the advancement of technology, new connections are being created between activities, and companies are now in a better position to coordinate their actions with those of their buyers and suppliers. There are many drugstores that provide their customers with terminals and Walgreens Pharmacy, which is America's largest pharmaceutical distributor, is one of them. As a result, the company makes it so easy for customers to place orders, receive them, and prepare invoices, that the customers, in return, are willing to order larger orders in the future. Walgreens has also streamlined the process it uses to process orders while at the same time reducing its overhead. A powerful impact of the new digital technology on competitive scope has been observed as a result of the new digital technology. As a result of digital technologies, companies are able to coordinate value activities in far-flung geographical locations.

Technological advancements have dominated the physical component of what businesses do for the majority of history, particularly during industrialization, rather than having a substantial impact on the economic aspects of what they do. The Industrial Revolution created a competitive advantage for companies by substituting machines for humans as a means of obtaining a competitive advantage against their competitors. Back then, digital processing was largely the result of the efforts of human beings, and it required a great deal of human effort. In recent years, we have seen a convergence of technological advances in the field of digital technology that has slowed down. Digital processing is advancing at a much faster rate than physical processing due to the technological advances in the field of digital processing. While digital storage, manipulation, and transmission are reducing rapidly in cost, it is also simultaneously expanding the number of possibilities when it comes to what is physically possible to be done with digital processing.



## Conclusion

With the development of digital technology in the context of the world, it has grown in a way that has enabled organizations to work more efficiently to improve and maximize their productivity on a daily basis. There are several advantages that digital technology can provide businesses in terms of storage devices, data protection, cloud applications, and faster communication.

There has been a steady increase in the number of companies embracing technology and, as more and more companies do so, the possibilities of what they can do are expanding faster than they can explore them. Among the nine categories of activities that contribute to the creation of value, the digital revolution has had a considerable impact on each of them. Whether it is allowing artificial intelligence to assist in the development of technology, or introducing them into warehouse operations in the form of automation, the digital revolution has had a significant impact on all of them. With the advent of new technology, it is now possible to replace human effort in the production of digital data. Using the new technology, it is now possible to substitute machines for the effort that was once needed in order to produce digital data. A combination of machine learning and the advent of digital ledgers has resulted in the removal of paper ledgers and thumb rules, resulting in the replacement of paper ledgers with digital ones.

Business landscapes are being reframed as a result of digital technology. Compared to the past, digital technology isn't any longer considered an esoteric phenomenon that stands apart from particular companies and industries. A company should now be looking to become a tech company powered by digital technology, rather than being a traditional company.

In the coming years, as the distinction between those who make the digital technology and those who utilize it vanishes, it will be the companies that use technology for a sustainable competitive advantage that will be left behind by their rivals in their wake. As the internet of things (IoT) comes into being and artificial intelligence is gathered through the use of cloud technology, early adopters will gain an edge over their competitors that can be developed into a sustainable advantage over the competition in the future.

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